

Cover Letter - Program Update

December 2018

This discussion draft set of documents straddles the ground between a traditional Request for Information and a traditional draft Request for Proposal. GSA has decided to take this approach because of the special challenges in and around the implementation of the Procurement through Commercial e-Commerce Portals program defined in Section 846 of the 2018 National Defense Authorization Act.

At a high level, GSA has talked several times about the need to test the implementation of this program across different commercial business models, supported by multiple providers. With this draft, we're outlining our line of thought around a proof of concept for the e-marketplace model, with multiple portal providers. Throughout the implementation of the proof of concept, GSA will continue to assess how we may incorporate the features and functionalities of the e-commerce and e-procurement business models.

This proof of concept features the following key elements:

- The proof of concept will require multiple e-marketplace providers.
- Individual orders will be capped at the micro-purchase threshold (MPT).
- There will be no product catalog limitations; awards will be made for a provider's entire catalog (with small exceptions based on statute).
- Contracts with the e-marketplace providers will require the contractor to provide GSA with a refund to be used to fund the program.
- Contracts with the e-marketplace providers will require the contractor to offer discounted prices to government purchase cardholders using a GSA SmartPay purchase card.
- Contracts with the e-marketplace providers will include significantly fewer terms and conditions than found in typical FAR based contracts. This will be achieved through significant deviations to FAR and GSAR clauses where GSA has the legal authority to issue such deviations and where it makes policy sense to do so. This better mirrors our understanding of current commercial e-commerce practices.
- Existing government micro-purchase requirements will apply to the suppliers selling on e-marketplaces.
- Significant limitations on the use of data by the e-marketplace providers will be required, as identified in Section 838 of the FY19 National Defense Authorization Act (NDAA).
- E-marketplace providers will be required to collect and submit data and reports to GSA.
- E-marketplace providers will offer workflow and approval routing for buyers and approving officials.
- E-marketplace providers will allow for price comparisons to be conducted on their platform and provide related documentation.
- GSA intends to share agency spend data across Federal agencies to improve their buying practices.

With the above information as the foundation (and as further outlined in the Program Discussion document), GSA is looking for feedback on the requirements posed in this RFI package, as well as specific feedback on the following questions:

- Is the definition of the 'e-marketplace' model clear and workable?
- Do the limitations on e-marketplace providers use of data address the concerns of the supplier community?
- GSA has provided an initial list of data points that we believe are important to efficiently manage a program with multiple e-commerce platforms and assess this proof of concept, please provide

feedback on those elements as they relate to what you already provide to your B2B clients. What should be added, removed or clarified?

- This is an opportunity to build-out a new data driven avenue for micro-purchases, with potentially substantial benefits in data consolidation and savings. What benefits and concerns does this raise?
- Are there terms or conditions included which would lead e-marketplace providers to choose not to compete?
- Are there terms or conditions included which cause great concern for suppliers on e-marketplaces?
- Are you able to provide real-time access to catalog data, to include extracts of that data to GSA?
- What capabilities do you offer to your B2B customers that help them to mitigate supply chain risks?
- One value proposition of the GSA commercial platforms program is to offer customer agencies competitive B2B pricing and price related terms and conditions (e.g. delivery, warranty, etc.) as opposed to purchasing through consumer e-commerce portals. Please describe the type of pricing and price related terms and conditions you offer to your B2B commercial customers.
- How would you support 'contingency support' thresholds that temporarily increase spending thresholds from \$10k per order up to \$20k during times of natural disasters or emergency?

We expect that each of the key points above will generate questions. GSA will be hosting the latest in a series of meetings on this program as part of the Federal Marketplace Initiative Industry Day at 12:30 pm ET on Wednesday, December 12 in the Department of Interior Sidney Yates Auditorium, located at 1849 C St NW in Washington, DC. In this meeting GSA and OFPP will further expand on our thoughts around the first proof of concept. We will also invite discussion and thoughts from interested stakeholders. For more information on in-person registration and/or virtual attendance for this event, please visit the [Commercial Platforms](#) Interact group.

GSA is looking for written responses to the questions presented by December 21, 2018; please email responses to Section846@gsa.gov.

GSA will use the responses received, both in person and in writing, to finalize both the solicitation and the Phase II report due to Congress in March 2019. GSA will not be issuing the final solicitation until after the report to Congress is submitted.

Thank you for your continued feedback and participation. To learn more about the Commercial Platforms program, please visit our [Interact group](#) or view the included 'Commercial Platforms Program Overview' attached with this FBO announcement.